



WISCONSIN

DEPARTMENT OF WORKFORCE DEVELOPMENT

Division of Economic Support

Bureau of Work Support Programs

**TO: Economic Support Supervisors
Economic Support Lead Workers
Training Staff
Child Care Coordinators
W-2 Agencies**

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Non W-2 ☐ **W-2** ☒ **CC** ☐

PRIORITY: Medium

SUBJECT: W-2 24-MONTH INTERIM EXTENSIONS

CROSS REFERENCE: W-2 Manual
BWI Operations Memo 99-49

EFFECTIVE DATE: Immediately

PURPOSE

This Operations Memo provides new policy regarding W-2 agencies' ability to provide interim extensions.

BACKGROUND

Current policy requires an agency to submit extension materials to its Division of Economic Support (DES) Regional Office 3 months prior to the end of a participant's 24th month. This is critical to ensure adequate participant services are provided. It allows:

1. Enough time for the Department of Workforce Development (DWD) to process the materials and issue a decision.
2. The W-2 agency time to act on the decision.
3. The participant enough time to initiate and complete the dispute process, if necessary, prior to reaching the 24-month time limit.

Policy has always allowed for submission of extension materials inside of this 3-month time period; however, allowable circumstances had not been defined.

Based on our experience with the extension process, we have become aware that there are a number of situations in which an agency is prevented from submitting extension materials three months prior to the end of the participant's 24th month. The situations include:

1. Individuals experiencing a significant change in circumstances after reaching the 24-month time limit.
2. Individuals experiencing a significant change in circumstance nearing the end of their 24 months.
3. For reasons other than a participant's change in circumstances, the late submission of extension materials by the W-2 agency.

Although we realize that these situations will occur, it is not expected that they will occur often. An individual denied an extension is not likely to qualify under future applications, unless a significant change occurs. As agencies continue to develop internal policies to closely track cases approaching 24 months and complete appropriate in-depth assessments and intensive case management, FEPs will be able to determine whether an individual qualifies for an extension well before the 24th month. This should prevent extension materials from being submitted inside of 3 months. That is, of course, unless a significant change occurs.

Therefore, we do realize that these situations will occur. The following policy was developed to address them.

NEW POLICY

The W-2 agency may initiate a 3-month "interim" extension for those participants who appear to qualify for an extension but due to significant changes in their circumstances or reasons other than a change in the participant's circumstances, the extension materials cannot be submitted prior to the individual reaching the 24th month. This interim extension may be initiated without DWD consent but it is not considered final approval. As soon as the interim extension has been initiated, the W-2 agency must still submit extension materials to DWD for concurrence. This interim extension will allow for the initiation of, or continuation of, services to participants while their extension materials are processed.

In all situations, the agency must have enough information to determine that, based upon the change in circumstances, the individual will likely qualify for an extension. This policy will allow the agency time to verify the change in circumstances and prepare extension materials. It will also give DWD enough time to process the materials. If, during the interim extension, the agency realizes that the change in circumstances does not qualify an individual for an extension, the interim extension must be ended.

The 3-month interim extension period will be considered a part of the full extension if it is approved by DWD.

Example: An agency approves a 6-month extension for an individual, submits the extension material to the state for review and the state concurs with the decision. The amount of time used at the time of the concurrence would count against the total time approved by the agency.

Individuals Reapplying For W-2 Services

There may be situations in which an individual reapplies for W-2 after his or her placement ends or case closes due to reaching the 24-month time limit. Clearly, upon reassessment or reapplication, if the FEP determines the individual is appropriate for placement in an employment position other than the one in which the 24-month clock has expired, the application would be processed according to current policy. However, if the FEP determines that the individual is appropriate for placement in the same employment position for which the 24-month clock expired, an interim extension may be granted. This will ensure that the participant doesn't experience any undue delays in receiving the first W-2 payment while waiting for an extension decision.

For individuals reapplying for W-2 services after reaching the 24-month time limit, an interim extension will allow the agency to immediately assign a W-2 eligible person to the expired employment position and activities while preparing and processing the extension materials. An agency that submits an extension request after a participant has reached the 24th month would have to show in the extension materials that a significant change in the participant's situation took place.

W-2 Participants Needing an Extension in the 24th Month

Under current policy, extension materials must be submitted 3 months prior to the end of a participant's 24th month. Under rare circumstances, an agency may submit extension materials to the Department inside of that 3 months. Rare circumstances include a significant change in the participant's circumstances that occurs after the deadline for submitting extension materials. In most situations, this would hopefully happen in enough time for the agency to still submit extension materials to the state. For example, the Department can process extension materials received at the beginning of a participant's 23rd month. However, when the timing of the change prevents the agency from submitting extension materials before the participant's 24th month, more than likely the Department would not have enough time to process the extension materials. Therefore, when an agency submits extension materials in the participant's 24th month, an interim extension may be granted. Materials submitted prior to the participant's 24th month will be processed per current policy although DWD will ensure that a decision is made expediently.

An agency that submits an extension request in the 24th month would have to show in the extension materials that a significant change in the participant's circumstances took place.

Significant Change in Circumstances

A FEP is in the best situation to determine what a significant change in circumstance is and it will be up to the FEP to describe in the case summary of the extension materials. As a general guideline, a significant change in circumstances is one that the participant and/or FEP could not foresee.

Examples:

1. *A participant has been offered a job, but then experiences a debilitating accident preventing him or her from starting employment.*
2. *A mother caring for an incapacitated child has secured appropriate daycare, but the daycare provider loses its certification.*
3. *A participant is moved to a higher W-2 employment position, but is then diagnosed with a serious illness that would prevent him or her from participating.*
4. *A participant voluntarily declines an extension (despite the W-2 agency's efforts to communicate the potential need for an extension) and now the participant is requesting one.*

The agency must show that the change in circumstances was unforeseen. Changes in circumstances that can be foreseen should not warrant an interim decision, as W-2 agencies must take action in accordance with current policy to ensure an extension is in place.

Examples of circumstances that may be foreseen include:

1. *A participant's pending SSI application is denied.*
2. *A participant has a tentative job offer from a CSJ employer, but the employer decides the participant is not appropriate for the job.*
3. *A participant who has not been cooperating with assigned activities reveals that he or she has additional significant barriers preventing participation.*

In the examples described above, the agency should not be relying on resources that may be available in the future. Extension decisions must be made on the information currently available not on what may or may not occur. In addition, through intensive case management, the FEP should be working with the participant to identify hidden barriers that may be preventing participation. This intensive case management may include mandatory assessments, worksite visits and in-home visits. Please refer to the W-2 Case Management Resources Guide for additional resources helpful in assessing barriers typically difficult to identify (W-2 Manual, Appendix V). If this type of intensive case management takes place throughout the participant's time on W-2, the agency will have a better understanding of which participants will need extensions and they will be able to submit the materials in a timely manner.

Late Extension Submissions Due to Reasons Other than a Significant Change in the Participant's Circumstances

The interim extension policy would be allowed whether it is a change in the participant's circumstances or other circumstances that prevent timely submission of extension materials, e.g. administrative error on the part of the W-2 agency. Therefore, if other circumstances prevent the submission of extension materials timely rather than a change in the participant's circumstances, an interim extension may be granted.

Examples of other circumstances include:

1. *Within an agency, one FEP determining a participant does not qualify for an extension and another FEP determining that he or she does qualify.*
2. *An agency incorrectly determining when a participant's 24 month time limit ends.*

However, each W-2 agency entering into a W-2 contract is agreeing to comply with all terms and conditions of the Request For Proposal, including DWD's policies and procedures. For this reason, if an agency does not submit extension materials 3 months prior to a participant's 24th month, agencies may experience penalties ranging from payment adjustments, corrective action requirements to failure to serve fines. See the 2000-2001 W-2 and Related Programs Contract for additional information.

ENTERING EXTENSION INFORMATION INTO CARES

Typically, FEPs generate notices to participants informing them of the final extension decision. Because these are interim decisions and not final approvals, the FEP must do the following to ensure continued services for these participants:

1. In the 24th month or later, on AIWE in the "EXT REQ RSN" field, the FEP must enter the agency's extension decision code (only acceptable code on table TERR is "ERA").
2. On AIWE, in the "EXT RSN" field, the FEP must enter the appropriate 3-month extension approval code (Table TTLE). Although this is not an extension approval, this is currently the only way in which CARES will allow the participant's placement to remain open.
3. The FEP must then suppress the extension approval notice (APLM) generated by the code entered in the "EXT RSN" field (Step 2). The participant must not receive a notice regarding final extension approval until the Department has made a determination. DO NOT suppress the notice generated by the entry in the "EXT REQ RSN" field (notice APLN) as this notice lets the participant know that the agency is seeking state approval.
4. Discuss with the participant that the extension decision is pending and that service will continue for up to 3 months until a decision is made. This discussion must be documented in CMCC.

CONTACT

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Note: Email contacts are preferred. Thank you.